



Charles D. Baker, Governor
Karyn E. Polito, Lieutenant Governor
Stephanie Pollack, MassDOT Secretary & CEO



December 29, 2015

Office of the Clerk of the Senate
Office of the Clerk of the House
Massachusetts State House
Boston, MA 02133

Honorable Members of the General Court,

Pursuant to Section 39M½ of Chapter 30 of the Massachusetts General Laws, please find enclosed the annual Owner's Representative reports prepared for the Massachusetts Department of Transportation and MBTA for CY2015.

The Owner's Representative program is an essential ingredient of the management of major construction projects at MassDOT and the MBTA. In particular, as established by statute, Owner's Representatives play a vital role as agents of the Commonwealth, guarding the interests and wallet of the taxpayer on construction projects valued at \$50 million or more. These annual reports – as well as the monthly reports submitted by every Owner's Representative – are important tools to identify schedule and budget risks and to help ensure that public agencies are held accountable for managing their projects on time and on budget.

However, as we learned during the recent review of the Green Line Extension project, MassDOT and MBTA staff are not always as timely or effective at resolving the concerns raised by our Owner's Representatives as they need to be. For an Owner's Representative to submit a good and comprehensive report does not, by itself, sufficiently address ongoing project risks. Instead, MassDOT and MBTA have an important responsibility to respond promptly and properly to resolve identified problems before they can impact the schedule or budget of a project.

As part of a focus at both MassDOT and the MBTA on improving on-budget, on-time delivery of capital projects, over the coming year we will be working hard to better coordinate and centralize our Owner's Representative processes across the agency and to ensure uniformity in how Owner's Representatives are performing and reporting. Likewise, as needed we will modify and enhance our internal procedures throughout MassDOT and the MBTA to ensure that we better recognize and respond to project problems and risks raised by our

Owner's Representatives. We will also consider whether the type of monitoring currently provided by Owner's Representatives to projects valued at \$50 million or greater could benefit smaller projects, such as those valued between \$30 million and \$50 million.

Owner's Representative reports contain considerable information regarding our largest projects. To bring greater transparency to our projects, we will endeavor to increase their availability to the public, our Boards, the Inspector General, Auditor, and the General Court.

In closing, MassDOT and the MBTA recognize and value the benefits that an effective Owner's Representative program brings. In 2016, we will challenge ourselves to improve upon and leverage the strengths of our current program to better respond to any concerns raised by our Owner's Representatives.

Sincerely,



Stephanie Pollack

Secretary and CEO